between the position now and the position then we have to divide the figures of to-day by two.

In the second, we need not be misled by the Jeremiahs who tell us that now that we have won the war we have before us the task of paying for it. This is not true, or true only to a small extent—to the extent, that is to say, to which we shall, when all these assets and liabilities have been settled up and balanced, be afflicted with a foreign debt. Let us leave this question on one side for the time being, and consider what the position really is with regard to that part of the war's cost that has been raised at home. In so far as that has been done, the war cost has been raised by us while the war went on. In fact, all the war cost has to be raised by somebody while the war goes on, because the war is fought with stuff and services produced at the time and paid for at the time. But when Americans lend us money to pay for some of the stuff that they send us, they pay at the time and we, or our posterity, have to pay them back later on; this is the only way in which we can make posterity pay for the war, and then it only means that our posterity pays America's. It is not possible to carry on war with wealth that is going to be produced some day. The effort of self-sacrifice that war demands has to be made by some-body during its progress—otherwise the

war could not be fought.

That effort of self-sacrifice we have already made in so far as we have paid for our war cost out of money raised at home. That money has been raised in three ways—by taxation, by borrowing saved